

# Regular Meeting

<b>Agenda Item #</b>	8
<b>Meeting Date</b>	October 24, 2005
<b>Prepared By</b>	Barbara B. Matthews City Manager
<b>Approved By</b>	

<b>Discussion Item</b>	2 <sup>nd</sup> Reading Ordinance Regarding FY06 Budget Amendment No. 2
<b>Background</b>	<p>The City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements. The City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific projects funded by these grants.</p> <p>Since adoption of the FY06 budget, the City has received additional grants not contemplated at the time of the budget's adoption. Furthermore, the amount of certain grants included in the FY06 has changed. Funding for certain projects not completed in FY05 needs to be re-appropriated. Some of these grants require a funding match, which is reflected as an operating transfer from the General Fund to the Special Revenue Funds.</p> <p>The proposed budget amendment would also modify General Fund revenues and expenditures. The City utilizes contractual assistance in the collection of monies for parking violations. In prior years, the cost for this assistance was charged as an offset to parking meter revenues. The Director of Finance has recommended an alternative method of handling the expenditure related to this activity, with the cost of the contractual assistance reflected in the Police Department operating budget.</p> <p>The Equipment Replacement Reserve includes \$251,000 for enhanced police communications. The Chief of Police anticipates that all or a portion of these funds will be needed in FY06, necessitating an appropriation from the Equipment Replacement Reserve.</p> <p>Community Center Fund revenues would be increased by \$134,049 to reflect the FY06 POS funds and the balance of the HUD EDI grant; a corresponding increase would occur in fund expenditures.</p>
<b>Policy</b>	The Code of the City of Takoma Park requires budget amendments to be approved by a two-reading ordinance.
<b>Fiscal Impact</b>	Fund equity of the General Fund would be reduced by \$11,125. The balance of the Equipment Replacement Reserve would be reduced by \$251,000. General Fund revenues would increase by \$28,900. General Fund expenditures would increase by \$291,025. Special Revenue Funds revenues would increase by \$135,883, with a corresponding increase in fund expenditures. Community Center Fund revenues would increase by \$134,049, with a corresponding increase in fund expenditures.
<b>Attachments</b>	Proposed FY06 Budget Amendment Ordinance No. 2
<b>Recommendation</b>	Staff recommends that the City Council accept the proposed ordinance for second reading.
<b>Special Consideration</b>	

**ORDINANCE NO. 2005-37  
FY06 BUDGET AMENDMENT NO.2**

WHEREAS, the City receives a variety of grants that provide funding for law enforcement, community revitalization, parks development, and infrastructure improvements; and,

WHEREAS, the City utilizes Special Revenue Funds to account for revenue and expenditure activity attributable to the specific project funded by these grants; and,

WHEREAS, since adoption of the FY06 budget, the City has received additional grants not contemplated at the time of the budget's adoption; and,

WHEREAS, the amount of certain grants has changed, thereby necessitating an amendment to the FY06 budget; and,

WHEREAS, funding for certain projects not completed in FY05 needs to be re-appropriated; and,

WHEREAS, some of the aforementioned grants require a funding match, which is reflected as an operating transfer from the General Fund to the Special Revenue Funds; and,

WHEREAS, the City utilizes contractual assistance in the collection of monies for parking violations; and,

WHEREAS, the Director of Finance has recommended an alternative method of accounting for this activity, necessitating an amendment to General Fund revenues and expenditures; and,

WHEREAS, the Equipment Replacement Reserve includes \$251,000 for enhanced police communications; and,

WHEREAS, the Chief of Police anticipates that all or a portion of said funds will be needed during FY06, necessitating an appropriation from the Equipment Replacement Reserve; and,

WHEREAS, since adoption of the FY06 budget, the City received additional Program Open Space monies for the Community Center project, and;

WHEREAS, the City did not receive the full amount of the HUD Economic Development Initiative grant monies in FY05; and,

WHEREAS, the balance of said monies will be received in FY06.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TAKOMA PARK, MARYLAND THAT:

SECTION 1. The Fiscal Year 2006 Budget be amended as follows:

**General Fund – Transfers**

1. Transfer \$11,125 from account 0001-2100, Fund Equity, to account 0001-3660, Appropriated Surplus.

2. Transfer \$251,000 from account 0001-2030, Reserve for Equipment, to account 0001-3662, Equipment Reserve, for purchase of police communications equipment.

#### **General Fund – Revenues**

1. Appropriate \$4,900 to account 0001-3680, Miscellaneous Income, for receipt of funds from the Montgomery County Department of Health and Human Services.
2. Appropriate \$24,000 to account 0001-3520, Summons/Forfeitures.

#### **General Fund – Expenditures**

1. Appropriate \$4,900 to account 2300-4030, Police Overtime.
2. Appropriate \$24,000 to account 2100-6140, Contracts.
3. Appropriate \$251,000 to account 9100-8003, Equipment Reserve, for purchase of police communications equipment.
4. Appropriate \$11,125 to account 9200-8100, Special Revenue Funds Transfer, for the City's matching contribution for various grants.

#### **Special Revenue Funds – Revenues**

1. Appropriate \$10,000 to account 0010-3389, Montgomery County Weed and Seed.
2. Appropriate \$20,726 to account 0010-3918, Homeland Security.
3. Appropriate \$19,457 to account 0010-3919, Byrne Memorial Justice Assistance Grant.
4. Appropriate \$9,000 to account 0010-3902, BJA Grant LBBX2544-2003.
5. Appropriate \$11,160 to account 0010-3382, C-Safe Coordination.
6. Reduce account 0010-3394, Weed and Seed CSAFE, by \$2,500.
7. Reduce account 0010-3909, SHA Sidewalk Retrofit, by \$200,000.
8. Appropriate \$12,525 to account 0010-3705, Takoma Park Boys and Girls Club.
9. Appropriate \$20,000 to account 0010-3739, Community Legacy.
10. Appropriate \$175,000 to account 0010-3727, Montgomery County Revitalization.
11. Appropriate \$16,015 to account 0010-3831, Heffner Park.
12. Appropriate \$33,375 to account 0010-3834, Toatley-Fraser Park.
13. Appropriate \$11,125 to account 0010-3385, General Fund Transfer.

#### **Special Revenue Funds – Expenditures**

1. Appropriate \$10,000 to account 0010-7235, Montgomery County Weed and Seed.
2. Appropriate \$20,726 to account 0010-7229, Homeland Security.

3. Appropriate \$19,457 to account 0010-7248, Byrne Memorial Justice Assistance Grant.
4. Appropriate \$9,000 to account 0010-7231, BJA Grant LBBX2544-2003.
5. Appropriate \$11,160 to 0010-7237, C-Safe Coordination.
6. Reduce account 0010-7220, Weed and Seed CSAFE, by \$2,500.
7. Reduce account 0010-6825, SHA Sidewalk Retrofit, by \$200,000.
8. Appropriate \$12,525 to account 0010-6819, Takoma Park Boys and Girls Club.
9. Appropriate \$20,000 to account 0010-6836, Community Legacy.
10. Appropriate \$175,000 to account 0010-6831, Montgomery County Revitalization.
11. Appropriate \$16,015 to account 0010-7198, Heffner Park.
12. Appropriate \$44,500 to account 0010-7194, Toatley-Fraser Park.

**Community Center Fund – Revenues**

1. Appropriate \$122,324 to account 0050-3609, Program Open Space.
2. Appropriate \$11,725 to account 0050-3604, EDI Grant.

**Community Center Fund - Expenditures**

1. Appropriate \$134,049 to account 0050-8005, Construction Cost.

SECTION 2. This Ordinance shall be effective immediately.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_ by Roll Call vote as follows:

AYE:

NAY:

ABSTAIN:

ABSENT: